

# **Getting Started with Fasset 2016/2017**

**14 September 2016**



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## ACRONYMS

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Acronym	Explanation
ATR	Annual Training Report
BUSA	Business Unity South Africa
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CPE	Continuous Professional Education
DHET	Department of Higher Education and Training
FET	Further Education and Training
LCG	Learnership Cash Grant
LL	Lifelong Learning
LPD	Learner Professional Development
NDip	National Diploma
NEET	Not in Employment Education and Training
NLP	Non-Levy Paying
NLRG	NSFAS Loan Repayment Grant
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
NSF	National Skills Fund
NSFAS	National Student Financial Aid Scheme
PAYE	Pay-As-You- Earn
PIVOTAL	Professional, Vocational, Technical and Academic Learning
SARS	South African Revenue Services
SDA	Skills Development Act
SDF	Skills Development Facilitator
SDL	Skills Development Levy
SDLA	Skills Development Levies Act
SDP	Skills Development Plan
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification
SMME	Small, Medium and Micro Enterprises
SSP	Sector Skills Plan
TVET	Technical and Vocational Education and Training
WSP	Workplace Skills Plan

## 1. What is Fasset?

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Fasset is the Finance and Accounting Services Sector Education and Training Authority (SETA). It is one of the SETAs established in April 2000 in terms of the Skills Development Act (SDA) of 1998. This Act provides, *inter alia*, the institutional framework to devise and implement sector strategies to improve the skills of the workforce in order to:

- Increase the flow of new finance and accountancy entrants to employment
- Develop and grow the skills required in the sector
- Facilitate transformation of the finance and accountancy sector

SETAs drive, encourage and support skills development through:

- a system of levies and grants;
- addressing skills shortages and needs within the sector;
- the funding of specific strategic sector initiatives, e.g. bridging programmes and free workshops;
- the provision of cash grants to employers in support of the implementation of skills development initiatives which support sector-specific strategic needs, such as the demographic transformation of the sector through learnerships;
- implementing programmes to assist unemployed learners to acquire scarce skills, and enter the economy through learnerships, internships or employment;
- registration of learnership agreements;
- registration of learning programmes, and
- quality assurance of training providers.

## 2. What are Fasset's mission and goals?

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The SETA Board has identified three broad skills priority areas (corresponding to the Fasset mission) which are applicable to 2016/2017. These are:

1. Increase the flow of new finance and accountancy entrants to employment
2. Develop and grow the skills required in the sector
3. Facilitate transformation of the finance and accountancy sector

The SETA goals are as follows:

1. To conduct research into the skills needed in the sector and to provide stakeholders with information needed to make informed decisions on skills development.
2. To support skills development initiatives to produce mid-level and high-level skills and transform the sector.
3. To support workplaces in the sector to develop and grow the skills levels of the current workforce.
4. To facilitate initiatives to grow finance and accounting skills enabling employability in the wider economy.

### **3. Strategy of the SETA**

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The Fasset Board has committed the SETAs implementation plan to a number of areas for the 2016 to 2017 financial year, in line with the pipeline approach to address skills formation across the post-school system:

Fasset has reviewed areas where the greatest impact can be made and has revised its strategy and developed new programmes which will ensure a lasting legacy for the sector and the SETA. Fasset has reviewed the systemic problems in the skills development system and come up with innovative solutions with the aim to ensure that both the learner and employer benefit in the pipeline; and to facilitate the transformation of the sector.

Transformation of the demographic profile of the sector will occur by encouraging the education and training of employed and unemployed African Black people, Coloured people in the Western and Northern Cape, and people with disabilities.

Assisting small and medium-sized employers in becoming 'training spaces', via grants and incentives such as free training is planned.

Ensuring that scarce skills in the field of finance and accounting are alleviated by assisting learners in completing relevant qualifications or professional designations, and bridging unemployed learners into the world of work is being implemented.

### **4. Where does Fasset get its income?**

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All SETAs, including Fasset, operate through a levy-grant system, as determined by the Skills Development Levies Act (SDLA) of 1999. According to this Act, every employer in South Africa who is registered with the South African Revenue Services (SARS) for Pay-As-You-Earn (PAYE) is liable to register for the compulsory Skills Development Levy (SDL).

The contribution is 1% of total payroll (as calculated for PAYE), including staff who fall below the PAYE threshold, but excluding learners on registered learnership agreements, provided the employer's total annual payroll amount exceeds R 500,000.00.

### **5. What process do employers follow if they are exempt from paying SDL?**

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Employers that are exempt from paying the SDL, where their core business relate to finance, accounting, management consulting and other financial services, can register with Fasset as a Non-Levy Paying (NLP) member in order to qualify to participate in specific Fasset benefits.

These NLP employers do not qualify for grants linked to the reimbursement of SDL (i.e. the Mandatory Grant) but do qualify to participate in other SETA benefits including discretionary grants.

Different SETAs will have differing approaches with regard to the provision of benefits to employers who are exempt from paying SDL. The Fasset Board decides, on an annual basis, the benefits that will be made available to NLP employers. These may include free training and cash grants.

NLPs can register with Fasset using the NLP employer registration application, which is available on the [Fasset website](#). This registration is annual and must be renewed by the employer should they wish to remain on the SETA's database to receive notifications from the SETA.

## 6. How do I find out if I am registered for the SDL?

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Employers can check whether they are registered for the SDL by contacting their local SARS branch and citing their PAYE number. Employers not yet registered for the SDL must submit a completed SDL 201 form (available from SARS) and start remitting monthly levies to SARS. Fasset receives SDL from SARS two to three months in arrears.

## 7. To which SETA is my SDL going?

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When completing the SDL 201 form, first time registrants for the SDL are required to stipulate the SETA they wish to belong to. The law stipulates that employers must register with the SETA that has a scope relating to the main business activity of the registrant. The scope of each SETA includes a specific set of Standard Industrial Classification (SIC) codes, which describe specific business activities. The list of SETAs and their designated SIC codes can be viewed on the [Fasset website](#). The SIC codes that fall within the scope of Fasset are:

- 83110 Administration of Financial Markets
- 83120 Security Dealing Activities
- 83121 Stock Broking Activities
- 83180 Development Corporations and Organisations
- 83190 Activities Auxiliary to Financial Intermediation
- 88101 Tax Services
- 88102 Asset Portfolio Management
- 88103 Company Secretary Services
- 88120 Accounting, Bookkeeping and Auditing Activities
- 88121 Activities of Accountants and Auditors Registered in terms of the Public Accountants and Auditors Act
- 88122 Activities of Cost and Management Accountants
- 88123 Bookkeeping Activities, including Relevant Data Processing and Tabulating Activities
- 88140 Business and Management Consultancy Activities
- 88142 Project Financial Management
- 91108 South African Revenue Service (SARS)
- 9110E National and Provincial Treasuries

## 8. What do I do if I am registered with the incorrect SETA?

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If you wish to transfer from one SETA to another, you must contact the SETA you are currently registered with to obtain their permission for the move.

The company representative or the appointed Skills Development Facilitator (SDF) will need to complete an Inter-SETA Transfer Form (IST01), which must be signed by a permanent, senior staff member e.g. the Chief Executive Officer (CEO) or the Chief Financial Officer (CFO) of the organisation and which must contain a description of the organisation's main business activity. This document is available on the [Fasset website](#).

Once the SETA receives this form, permission must be requested from the SETA with which the firm is registered. The IST01, along with the permission obtained, is then sent to the DHET who will then request SARS to make this change.

SARS will then change the SETA to which your SDL is being paid. Once the new SETA receives your funds, you will then be registered with that SETA. You can then start applying for and receiving grant payments from the new SETA.

The SETA cannot be held responsible for changes not being made timeously. It is ultimately the responsibility of the employer to ensure they are registered with the correct SETA and to monitor the process and ensure the transfer is complete.

## 9. What is the process for obtaining a refund on the SDL?

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Of the SDL paid over to SARS, 20% of the amount is transferred by the DHET to the National Skills Fund (NSF). This funding is used to fund large-scale projects that will address national skills needs such as training those who are unemployed, the youth, people living in rural communities and people with disabilities. The strategic focus of the NSF may change from year to year, depending on the national needs. Recently the focus has been on supporting the National Student Financial Aid Scheme (NSFAS) as well Technical and Vocational Education and Training (TVET) institutions.

The SETA receives the remaining 80% of the levy paid over by the employer. 10.5% of this levy may be retained by the SETA to fund its administration expenses, and the employer may claim back up to 69.5% of the remaining funding via a Mandatory and Discretionary Grant scheme.

Funding regulations to the SDA indicate that an organisation may claim back a Mandatory Grant of 20% of the SDL by submitting a Mandatory Grant (combined Skills Development Plan (SDP) formerly known as the Workplace Skills Plan (WSP) and Annual Training Report (ATR) application) to the SETA.

The SDP portion of the Mandatory Grant contains the training plan of the firm for the current financial year. The ATR portion of the application reports on training for the preceding financial year. The purpose of the Mandatory Grant application is to ensure that firms are implementing

training, i.e. planning their training for the year ahead and reporting on the training that was conducted in the previous period.

Actual training costs incurred are not reimbursed via this grant; rather 20% of the SDL is refunded regardless of the amount employers spend on education and training. This grant application is due at the SETA by 30 April of every financial year.

The SETA may not issue an extension for the late submission of this grant. The only instances where the SETA may consider grant extensions are in cases of lateness due to *force majeure* (acts of god) and/or where the firm is a new entity in terms of registration for the SDL, and has submitted the grant application within six months of registering as a SDL-paying entity.

Important note: A legal matter concerning the amount of the Mandatory and Discretionary Grant was heard in the Labour Court, where Business Unity South Africa (BUSA) bought an action against the DHET. BUSA won the case in August 2015. This means that the judge ordered that the decrease in the Mandatory Grant from 50% to 20% and the sweeping of uncommitted funds to the NSF must to be reversed. In the judgment, the effective date was set at 31 March 2016, however it could not be applied retrospectively. DHET has instructed SETAs to continue applying the 20% Mandatory Grant percentage as they intend to exercise their right to appeal the ruling.

## **10. The process for obtaining an SDL refund, where the IST is in process**

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In the case of an IST, the company must decide whether or not to submit a Mandatory Grant and participate with the Seta with whom they are registered or with the Seta they are moving into. Many companies wait for the IST to be processed, while timeously submitting grant applications to Fasset, only to find that after the IST is processed and the company is with Fasset, that the Seta which they were with originally will not release or transfer the SDL to Fasset in order for Fasset to pay out the Mandatory Grants.

Fasset can negotiate on behalf of the company with the other Seta, by providing evidence of timeous grant submission to Fasset. The other Seta may then pay out the Mandatory Grant to the company. However, this is a discretionary decision as the other Seta is not required by law to transfer any monies for a prior financial year. Only levies received in the current financial year can legally be requested by a Seta in relation to an IST.

Should your firm be in the process of an IST and you are unsure as to which Seta to submit your grant to, Fasset recommends that you submit the Mandatory Grant to both Setas. This will ensure that should the transfer not be processed timeously, the grant will still be paid out by whichever Seta has your levies.

## 11. What happens with unclaimed levies?

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As not all Fasset levy-payers claim their SDL back through a Mandatory Grant, the SETA is legally empowered to use the unclaimed monies to support strategic interventions in the sector (in terms of funding regulations to the SDA).

The Fasset Board decides on these strategic interventions annually. On approval of the strategic direction for the upcoming financial year, Fasset is able to plan the implementation of interventions designed to improve the scarce skills situation in the sector.

## 12. What is a Skills Development Facilitator?

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The first step to participation in the grant scheme with the SETA is the registration of a Skills Development Facilitator (SDF). The SDF is an employee, or consultant to the employer, who performs a liaison and information-sharing role with the SETA. The SDF is required to keep up-to-date with changes within the skills development arena and SETA developments, and to communicate these back to the employer and the employees within the organisation. NLPs are also required to register an SDF with Fasset.

Participating employers that may have changed their SDF should submit a Change of SDF Application Form, which is available on the [Fasset website](#).

Further information on SDFs, and their role, can be found on the [Fasset website](#).

## 13. How do I attend Fasset's free training events?

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Fasset offers free training to members (both SDL-paying and NLP) who are up-to-date with their registration with Fasset.

This programme supports the training needs of mainly small business, and the topics provided aim to assist them in training existing staff, especially learners who have been recruited on Fasset learnership programmes. The topics include content which members can apply to their own businesses and when advising their clients.

Training conducted as part of the Lifelong Learning (LL) programme can be counted towards the Continuous Professional Education (CPE) requirements of most professional bodies and Fasset has, therefore, termed this programme the LL programme.

There are three content areas covered by the LL programme:

1. **Soft skills:** These courses aim to improve the non-technical skills of learners such as communication, management and leadership. Most Fasset learnerships address technical skills but learners also need to possess certain cross-functional skills.
2. **Legislative Updates:** These courses aim to ensure that changes to the legislation and regulatory framework are understood in the Fasset sector. This includes an annual Budget and Tax Update.
3. **SDF Training:** SDFs are crucial in ensuring that the skills revolution occurs in South Africa (starting within the workplace), and that scarce skills are addressed in South Africa. Training for these advocates of skills development is therefore supported by Fasset.

Upcoming LL topics and dates are advertised on the [Fasset website](#) and via other communiqués. Members are encouraged to check that their contact details are up-to-date on the Fasset database to ensure that they receive Fasset communication media such as e-mails and faxes. SDFs that receive invitations to LL events are responsible for disseminating to all staff in the organisation.

Fasset will be running Learner Professional Development (LPD) interventions. LPD will ensure that employed graduates are equipped with the necessary skills required to enable them to deliver on their work outputs. Learners will be provided with entry-level soft skills necessary to be competent in their chosen occupation. The topics will include communication skills, decision-making skills and life skills. In many instances employers must ensure learners attend LPD courses in order to claim specific Fasset grants.

## 14. Funded Programmes

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As part of the Board's strategic direction, Fasset commissions programmes that meet the needs of the sector as defined in the Sector Skills Plan (SSP) (available on the [Fasset website](#)).

Fasset's programmes aim to increase the supply of skilled labour in the Fasset sector and to alleviate the scarce skills situation reported by the sector. In line with Fasset's focus on transforming the sector, African Black people, Coloured people in the Western and Northern Cape and learners with disabilities will be funded.

Fasset commissions these programmes via a tender process which is advertised in the Government Gazette and on the [Fasset website](#) annually.

### a. Academic Support Programmes (Bridging for Qualifications)

This intervention aim to increase the throughput rate where there is normally a high failure rate and learners are unable to pass the examinations and/or progress to the next level of their qualification.

These programmes will enable the completion of scarce skills qualifications for African Black people, Coloured people in the Western and Northern Cape and learners with disabilities. This

programme specifically intends to collaborate with public providers such as universities, or universities of technology, in order to address the requirement for graduates lacking scarce skills.

Details concerning the programme are as follows:

- Learner must be registered on a course at National Qualifications Framework (NQF) level 6 and above.
- Qualification must be linked to a scarce skill in the Fasset sector.
- Extra lessons to be offered.
- No tuition included.
- Learners entering 1st year and above are eligible.
- Unemployed or employed learners are eligible.
- The institution must define 'at risk' learners.
- 70% of learners on the project must pass the course.
- No accommodation, transport or meals are funded.

#### **b. Academic Support Programmes (Bridging for Professional Body Designations)**

The purpose of this intervention is to ensure that the learner obtains a designation, where there is normally a high failure rate and learners are unable to pass the examinations and become professionally registered.

These programmes will enable the completion of scarce skills qualifications for African Black people, Coloured people in the Western and Northern Cape and learners with disabilities. This programme specifically intends to collaborate with professional bodies, in order to address the requirement for learners lacking scarce skills.

Details concerning the programme are as follows:

- Learner must be registered on a course at NQF level 6 and above
- Qualification must be linked to a scarce skill in the Fasset sector
- Academic mentoring to be offered.
- Tuition included (course registration, examination, books, professional body fees).
- Unemployed or employed learners will qualify.
- No accommodation, transport or meals are funded for the learner.
- The final part or qualifying examination is eligible to be funded under this programme.
- 70% of learners on the project must pass the course.

#### **c. Academic Support Programmes: Bridging for Qualifications or Professional Designations (Non-PIVOTAL)**

The purpose of this intervention is to increase the throughput rate for learners where there is normally a high failure rate and learners are unable to pass the examinations and/or progress to the next level of the qualification.

These programmes will enable the completion of scarce skills qualifications for African Black people, Coloured people in the Western and Northern Cape and learners with disabilities. This

programme specifically intends to collaborate with public providers such as universities, or universities of technology, in order to address the requirement for graduates lacking scarce skills.

Details concerning the programme are as follows:

- No requirement to be linked to a qualification registered on the NQF.
- The qualification must be linked to a scarce skill in the Fasset sector.
- Learners must be in possession of a first degree, qualification or designation to be at equivalent to NQF 7.
- Tuition, academic mentoring and study skills are included in the funding.
- Unemployed or employed learners are eligible for registration in this programme.
- No accommodation, transport or meals will be funded for the learner
- The institution must define and identify 'at risk' learners.
- 70% of learners on the project must pass the course

#### **d. Fasset Bursary Scheme**

These programmes will enable the completion of scarce skills qualifications for African Black people, Coloured people in the Western and Northern Cape and learners with disabilities from the 'missing middle'. This programme specifically intends to collaborate with Universities, Universities of Technology and Professional Bodies in order to ensure that the learner obtains a qualification through the provision of a full bursary. The bursary scheme will pay back outstanding learner university fees to ensure the learner can register for the following year, will be applicable to learners that fall into the 'missing middle' (those learners who are unable to qualify for commercial loans, nor qualify for funding from the NSFAS), and 80% of learners on the bursary must pass the course. Funding is all inclusive of a learners needs for an academic year i.e. a 'cottonwool' bursary.

#### **e. NSFAS Bursary Scheme**

Fasset will continue to allocate funding to the NSFAS for the sponsorship of African Black people and people with disabilities in the completion of their academic qualifications at higher education institutions, in areas of scarce skills to the Fasset sector.

Full details on how to get involved in this programme may be found on the [Fasset website](#).

## **15. Placement Grants 2016/2017**

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Placement refers to direct placement into employment, including the placement onto learnerships and internships. The following grants focussed on the **Placement** of learners are available:

#### **a. Learner Employment Grant for PIVOTAL Programmes for NLPs and small employers in the Fasset Sector**

This grant can be claimed by NLPs and small employers (1-49 staff) for placing learners on learnerships or retaining learners on learnerships for the duration of the learnership, as the vehicle through which learners will be upskilled to meet the needs of the employer.

The claim will be as follows:

- R 30,000 to a maximum of R 90,000 over a 3 year period.

Minimum Qualifying Criteria:

- The learners supported must be previously unemployed.
- The learners must be on a learnership linked to a scarce skill in the Fasset sector.
- The learnership must be at NQF level 6 or above.
- The learners will be supported for each year of the duration of the learnership.
- African Black and learners with disabilities will be eligible for the grant in all 9 provinces
- Coloured learners working in the Western and Northern Cape provinces will be eligible for the grant.
- Learners who receive the Learner Employment Grant will be required to attend at least 3 LPD courses p.a. except for the 2016/2017 financial year where they need to attend 1 LPD only.
- No maximum number of learners applicable to this claim.
- The nominal length of programme is applicable i.e. 3 years.

**b. Learner Employment Grant for PIVOTAL Programmes for medium and large employers in the Fasset Sector**

This grant can be claimed by medium (50-149 staff) and large employers (more than 149 staff) for placing learners on learnerships or retaining learners on learnerships for the duration of the learnership, as the vehicle through which learners will be upskilled to meet the needs of the employer.

The claim will be as follows:

- 29.5% for previously unemployed undergraduates (without a postgraduate qualification) that the employer takes onto learnerships.
- 20% for all previously unemployed graduates (including postgraduates) that the employer takes onto learnerships.

Minimum Qualifying Criteria:

- The learners must be on a learnership linked to a scarce skill in the Fasset sector.
- The learnership must be at NQF level 6 or above.
- The learners will be supported for each year that they remain on the learnership.
- African Black and learners with disabilities will be eligible for the grant in all 9 provinces.
- Coloured learners working in the Western and Northern Cape will be eligible for the grant.
- The nominal length of programme is applicable i.e. 3 years.

**c. Learner Employment Grant for non-PIVOTAL Programmes for NLPs and Small Enterprises in the Fasset Sector**

This new grant will be claimed directly by any eligible NLP or small employer for placing unemployed or underemployed graduates into either full time employment or onto internships.

It will be used to facilitate up skilling opportunities in employers who are not currently able to offer learnerships but who are committed to up-skilling learners to meet their skills needs.

The claim will be as follows:

- A R 30,000 grant per learner will be paid when the employer employs the learner on a full-time basis or signs them on to an internship.

Minimum Qualifying Criteria:

- This grant can be claimed by NLPs and small employers (1-49 people).
- The learners supported must be previously unemployed or underemployed.
- The learners must be employed full-time or placed on at least a 1 year internship.
- The learners must have at least an NQF 6 qualification aligned to a scarce skills area where there is no learnership.
- African Black and learners with disabilities will be eligible for the programme in all 9 provinces and Coloured learners in the Western and Northern Cape.
- No maximum number of learners applicable to this claim.

**d. Learner Employment Grant for non-PIVOTAL Programmes for medium and large employers in the Fasset Sector**

This new grant will be claimed directly by any eligible medium or large employer for placing unemployed or underemployed graduates into either full time employment or onto internships. It will be used to facilitate up skilling opportunities in employers who are not currently able to offer learnerships but who are committed to up-skilling learners to meet their skills needs.

The claim will be as follows:

- Large (150 or more) and medium (50-149 people) sized employers will be able to claim for their learners to a maximum of 49.5% of their levy contribution. The 49.5% limit is set as this is the amount of the discretionary portion of the levy that the employer contributes and should therefore be available to support learners.
- Employers who claim the Learner Employment Grant will not be able to claim this grant as well.
- Rather a combination of the 2 grants will be limited to the 49.5% in total.

Minimum Qualifying Criteria:

- The learners supported must be previously unemployed or underemployed.
- The learners must be employed full-time or placed on at least a 1 year internship.
- The learners must have at least an NQF 6 qualification aligned to a scarce skills area where there is no learnership.
- African Black and learners with disabilities will be eligible for the programme in all 9 provinces and Coloured learners in the Western and Northern Cape.

Full details on the criteria, quantum and deadline date for this grant may be found on the [Fasset website](#).

## 16. Academic Support Grants 2016/2017

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Academic support refers to Fasset supporting learners to complete their degree or professional qualification. The following grants focussed on the **Academic Support** of learners are available:

### 1. Bursary Grant

- This can be claimed by the employer once the learners have passed their course.
- The learner must be registered on a NQF level 6 course and above.
- The qualification is to be linked to the top 10 scarce skills in the Fasset sector.
- The value of the grant is R 40,000 per annum per learner for NLPs and SMMEs. For medium and large firms the value of the grant is 20% of the SDL.

### 2. NSFAS Loan Repayment Grant

- Learners must be on a Fasset registered learnership with an employer in the sector.
- The value of the grant is R 20,000 per annum, to a maximum value of R 60,000 over a three year period.
- The grant is paid to the NSFAS in tranches over the duration of the learner remaining on the learnership in the firm.

Full details on the criteria, quantum and deadline date for this grant may be found on the [Fasset website](#).

## 17. TVET College Learners

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To assist the Minister of Higher Education and Training to train and find employment for Technical and Vocational Education and Training (TVET) College learners (formerly known as FET College learners), Fasset offers a programme for firms in the sector. Employers may recruit learners from Fasset-identified TVET College institutions and will receive a stipend for placing these learners into an internship, for the purposes of completing the National Diploma (NDip) qualification. Full details on how to get involved in this programme may be found on the [Fasset website](#).

## 18. What is a Learnership?

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A learnership is a work-based education and training programme geared towards a qualification and is key to the success of the National Skills Development Strategy (NSDS). Based on the history of on-the-job training in the Fasset sector, Fasset, together with the professional bodies operating in the area of finance, accounting and bookkeeping, converted many available training programmes and qualifications into learnerships.

## 19. How do I register a Learnership Agreement with Fasset?

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1. Ensure that the accreditation is valid and current for the workplace and/or training provider (accreditation requirements for learnerships differ; please verify with Fasset prior to learnership implementation).
2. Register the learner with a professional body and/or the training provider.
3. Sign an employment contract with the learner.
4. Sign a learnership agreement with the learner.
5. Submit the original, current learnership agreement, signed by all parties, to Fasset.

Full details on the learnership registration process are available on the [Fasset website](#).

## 20. Learnership Tax Deductions

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The tax deduction (Section 12 H to be claimed from SARS as per the Income Tax Act 2009) is as follows:

Period	Learner Allowance		Learner (With Disability) Allowance	
	Commencement	Completion	Commencement	Completion
1 – 12 months	R 30,000	R 30,000	R 50,000	R 50,000
12 – 24 months	R 30,000	R 30,000	R 50,000	R 50,000
24 – 36 months	R 30,000	R 30,000	R 50,000	R 50,000
<b>Total</b>	<b>R 90,000</b>	<b>R 90,000</b>	<b>R 150,000</b>	<b>R 150,000</b>
<b>Grand Total</b>	<b>R 180,000</b>		<b>R 300,000</b>	

The employer may claim an amount on commencement and again on completion of the learner per year that they progress through the learnership. Employers should be aware that there is an expiry date to section 12 (H). Employers should look on the National Treasury website for further information and updates.

## 21. What Learnerships does Fasset offer?

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The current list of learnerships and the registration process can be found on the [Fasset website](#). Further information regarding learnerships can be addressed directly with the Professional Body or alternatively with the Processing and Quality Assurance Department.

## 22. Learning Programmes Matrix

The Learning Programmes Matrix (LPM), as published in Annexure 300 (A) Government Gazette, 11 October 2013), Codes of Good Practice, to Section 9 of the Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003) is as follows.

Category and Learning Mode	Narrative Description	Delivery Mode & Learning Site	Learning Achievement	Fasset Example
A. Bursaries	Institution-based theoretical instruction alone – formally assessed by the institution	Institutional instruction at institutions such as universities and colleges, schools, ABET providers	Recognised theoretical knowledge resulting in the achievement of a degree, diploma or certificate issued by an accredited or registered formal institution of learning	Business Science Degree (University of Cape Town)
B. Internships	Institution-based theoretical instruction as well as some practical learning with an employer or in a simulated work environment - formally assessed through the institution	Mixed mode delivery with institutional instruction as well as supervised learning in an appropriate workplace or simulated work environment at institutions such as universities and colleges, schools, ABET providers and workplace	Theoretical knowledge and workplace experience with set requirements resulting in the achievement of a degree, diploma or certificate issued by an accredited or registered formal institution of learning	National Diploma Public Relations Management at Vaal University of Technology. Third Year: Communication Science III and Public Relations III. Nine months practical training plus three contact sessions per semester.
C. Learnerships	Recognised or registered structured experiential learning in the workplace that is required after the achievement of a qualification – formally assessed by a statutory occupational or professional body	Structured learning in the workplace with mentoring or coaching	Occupational or professional knowledge and experience formally recognised through registration or licensing	Post Graduate Diploma: Professional Accountant in Practice (via a learnership) – Practicing members of the Institute perform duties as an Accounting Officer and provide a number of accountancy related services. MBCHB – Medical Science Masters which includes ongoing practical training e.g. dissection, in simulated hospital environments

Category and Learning Mode	Narrative Description	Delivery Mode & Learning Site	Learning Achievement	Fasset Example
D. Learnerships or Apprenticeships	Occupationally-directed instructional and work-based learning programme that requires a formal contract – formally assessed by an accredited body	Institutional instruction together with structured, supervised experiential learning in the workplace	Theoretical knowledge and workplace learning, resulting in the achievement of a South African Qualifications Authority registered qualification, a certificate or other similar occupational or professional qualification issued by an accredited or registered formal institution of learning	FET Certificate: Debt Recovery (via a learnership) – This is for any individual who is or wishes to be involved in the Debt Recovery function within the business sector and is intended to enhance the provision of service within the field of Debt Recovery within the business and commerce sector.
E. Work-integrated learning	Occupationally-directed instructional and work-based learning programme that does not require a formal contract – formally assessed by an accredited body	Structured, supervised experiential learning in the workplace which may include some institutional instruction at the workplace, institutional as well as ABET providers	Credits awarded for registered unit standards, continued professional development, improved performance or skills (e.g. evidence of outputs based on Performance Development Programme)	Achievement of a part-qualification quality assured via the Quality Council for Trades and Occupations (QCTO).
F: Informal training	Occupationally-directed informal instructional programmes	Structured information sharing or direct instruction involving workshops, seminars and conferences and short courses	Institutions, conferences and meetings	Fasset Budget & Tax Update
G. Informal training	Work-based informal programmes	Informal training at the workplace	Increased understanding of job or work context or improved performance or skills	Internal work-based sessions where product training takes place.

## 23. Defining Scarce and Critical Skills?

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The term 'scarce skill' refers to those occupations that are characterised by a scarcity of qualified and experienced people (current and anticipated). In other words, occupations in which numerical imbalances exist in employment because of a difference between the demand for and the supply of skills.

The term 'critical skill' refers to particular elements of an occupation, or the qualitative deficiencies that may exist or develop in the skills apparatus of the existing workforce.

A company may experience a shortage of Chartered Accountants (CAs) in their locality. For example, due to the migration of students to the Free State from rural areas in the Northern Cape, there may be difficulties in recruiting and retaining CA staff. This shortage is a scarce skill.

The existing accountants in these rural areas could have a knowledge gap in the area of, for example, Estates, as a result of Estates trainers not providing training in rural areas. Such a skill is important to the functioning of an accountant and is therefore referred to as a critical skills gap.

A PIVOTAL programme is a Professional, Vocational, Technical and Academic Learning programme which results in a learning achievement registered on the NQF. The qualification may include a learnership, registered internship, degree or diploma (or a programme defined as A, B, C, D or E on the LPM).

## 24. Addressing Scarce Skills with Learnerships

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The implementation of learnerships will assist in addressing the existence of scarce skills. A list of Fasset learnerships and full details regarding each specific learnership is available on the [Fasset website](#).

## 25. Current Scarce Skills

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Research shows that scarce skills already exist in the sector, mainly in the professional occupations.

The lack of qualified African Black people is experienced as a serious problem, especially in the higher-level occupations and professional designations. Many employers (especially large employers) find it difficult to meet their employment equity targets because of the unavailability of suitably qualified African Black people and Coloured people in the Western and Northern Cape.

Occupations in the table below have been listed as scarce for the period 1 April 2016 to 31 March 2017.

Code	Description
241101	Trainee accountant/auditor/article clerk
241104	External Auditor
252301	Computer Network and Systems Engineer
421401	Debt Collector
121101	Finance Manager
242101	Management Consultant
241301	Financial Investment Advisor
241101	Accountant (General)
263101	Economist
331302	Accounting Technician

Source: Final Draft Sector Skills Plan 2016/2017

## 26. How to monitor grant payments received?

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Fasset schedules regular grant payment dates and endeavours to make grant payments according to this schedule. There will, however, be instances where this is not possible. If Fasset has not received levies from SARS, or specific ad hoc grants have to be paid, grant payments will not be made according to the schedule.

Planned payment dates are provided on the [Fasset website](#). Payments are made electronically through an electronic funds transfer and your bank statement will show your SDL number as a reference.

All registered SDFs have direct access to on-line account details. This access can be obtained on the stakeholder log-on section of the [Fasset website](#) using the user name and password issued by the Fasset Call Centre. Once logged on to the system, you simply need to select the 'Grants & Levies' tab, followed by the year you wish to view.

If the levies Fasset has received from SARS do not match actual payments made, please contact your local SARS branch. They will require copies of your SDL 201 remittance advice and proof of payment.

Please remember that Fasset receives (and therefore only records) levies approximately two months in arrears.

## 27. What benefits are available to employers for 2016/2017?

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Fasset offers a number of benefits to both SDL-paying firms and NLP firms who have registered with Fasset. The table below summarises these grants and benefits for the period 1 April 2016 to 31 March 2017.

<b>Benefits 2016/2017</b>	<b>SDL Paying</b>	<b>Non SDL Paying</b>
Mandatory Grant – 20% of Skills Development Levy (SDL)	✓	NA, no SDL paid
Learner Employment Grant	✓	✓
Learner Professional Development (LPD) Programme	✓	✓
NSFAS Loan Repayment Grant	✓	✓
Free Lifelong Learning	✓	✓
Bursary Grant	✓	✓
Non-PIVOTAL Learner Employment Grant	✓	✓
Education of learners in order to enable them to: <ul style="list-style-type: none"> <li>- Access Academic and Professional Programmes</li> <li>- NSFAS Bursaries</li> <li>- Fasset Bursary Scheme</li> </ul>	✓	✓
TVET Work Based Experience (WBE) Grant	✓	✓
Learnership Tax Deductions	✓	✓

## 28. I need help to get started!

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The Fasset Call Centre is fully equipped to handle any enquiry and we urge all stakeholders who are starting out with Fasset to contact them directly for information. It operates during working hours and can be reached via e-mail to [fassetcallcentre@fasset.org.za](mailto:fassetcallcentre@fasset.org.za) or on 086 101 0001. The [Fasset website](http://www.fasset.org.za) ([www.fasset.org.za](http://www.fasset.org.za)) is a source of application forms, news updates and general information.

## 29. Contact Details

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PO Box 6801, Cresta, 2118  
 Building 3, Ground Floor, 299 Pendoring Road, Blackheath  
 Call Centre: 086 101 0001  
 e-mail: [fassetcallcentre@fasset.org.za](mailto:fassetcallcentre@fasset.org.za)  
 Web: [www.fasset.org.za](http://www.fasset.org.za)